

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or to re-enter an
Abandoned well. Use Form 3160-3 (APD) for such proposals.*

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.
SF - 078390

6. If Indian, Allottee, or tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.

Jones A LS #2 & #14

2. Name of Operator

BP America Production Company Attn: Cherry Hlava

9. API Well No.

30-045-07543 & 30-045-23768

3a. Address

P.O. Box 3092 Houston, TX 77253

3b. Phone No. (include area code)

281-366-4081

10. Field and Pool, or Exploratory Area

Blanco Mesaverde & Blanco PC

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

#2 - 1150' FSL & 890' FWL #14 - 1020' FSL & 820' FWL Sec 11 T28N R08W

11. County or Parish, State

San Juan County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OR NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Water Disposal

Other

☐ Water shut-Off

☐ Well Integrity

Surface Commingle

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof.

If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

BP America Production Company respectfully request authorization to surface commingle gas production from the Blanco Mesaverde and Blanco Pictured Cliffs Pools from our Jones A LS wells No. 2 & 14. Surface commingling Blanco MV production will consist of the Jones A LS No. 2 API 30-045-07543 and Blanco PC production will be from the Jones A LS Well No. 14 API 30-045-23768. The production from each well will be metered prior to commingling then the commingled production will flow into through the separator where the liquids will be removed. The commingled gas will then be sent through compression prior to entering the sales meter.

The working interest, royalty and overriding royalty interest owners in the subject wells are identical. The proposed commingling of production is to reduce operating expenses between the wells and will result in increased economic life of the wells.

Attached in support of our application are copies of documentation submitted to the NMOCD for State approval.

14. I hereby certify that the foregoing is true and correct

Name (Printed/typed)

Cherry Hlava

Title **Regulatory Analyst**

Signature

Cherry Hlava

Date **05/25/2006**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Jim Lovato

Title

De L. Eng

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or Certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOCD



BP America Production Company

Onshore US, North America Gas SPU
501 Westlake Park Boulevard
Houston, Texas 77079

Michael J. Beirne

Land Negotiator

Phone: 281.366.1634

Fax: 281.366.0700

Email: michael.beirne@bp.com

May 25, 2006

New Mexico Oil Conservation Division
Energy and Minerals Department
P. O. Box 2088
Santa Fe, New Mexico 87501

Surface Commingling Application
Jones A LS #2
Jones A LS #14
Section 11, T28N, R08W
San Juan County, New Mexico

Please be advised that the working interest, royalty, and overriding royalty interest owners are identical for each well.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Beirne", written over a horizontal line.

Michael J. Beirne
Land Negotiator

Enclosures

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

Reference Below

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:

Jones A LS
(Federal Lease SF - 078390 BLM Notified on Form 3160-5)

8. Well No.

Nos. 2 & 14

9. Pool name or Wildcat
Blanco MV & PC

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

BP America Production Company Attn: Cherry Hlava

3. Address of Operator

P.O. Box 3092 Houston, TX 77253

4. Well Location

Unit Letter **M** (see C-102) feet from the **South** line and _____ feet from the **West** line

Section **11** Township **28N** Range **08W** NMPM **San Juan** County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

5917 GR

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐

OTHER: **Surface Commingle**



SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

BP America Production Company requests permission to surface commingle production the Blanco Mesaverde, and Blanco Pictured Cliffs Pools from our Jones A LS Wells No. 2 & 14. Surface commingling Blanco Mesaverde production will consist of the Jones A LS Well No. 2 API 30-045-07543 and Blanco Pictured Cliffs production will be from the Jones A LS Well No. 14 API 30-045-23768. The production from each well will be metered prior to commingling then the commingled production will flow into through the separator where the liquids will be removed. The commingled gas will then be sent through compression prior to entering the sales meter. Please reference the attached schematics reflecting the Proposed Surface Commingling Layout provided for your reference.

The working interest, royalty and overriding royalty interest owners in the subject wells are identical. The proposed commingling of production is to reduce operating expenses between the wells and will result in increased economic life of the wells.

BLM has also been notified of this proposal by copy of BLM Form 3160-5.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Cherry Hlava

TITLE Regulatory Analyst

DATE 05/25/06

Type or print name Cherry Hlava

Telephone No. 281-366-4081

(This space for State use)

APPROVED BY _____

TITLE _____

DATE _____

Conditions of approval, if any:

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-07543 & 23768	² Pool Code 72319 & 72359	³ Pool Name Blanco Mesaverde & Blanco Pictured Cliffs
⁴ Property Code 000759	⁵ Property Name Jones A LS	⁶ Well Number Nos 2 & 14
⁷ OGRID No. 000778	⁸ Operator Name BP America Production Company	⁹ Elevation 5917

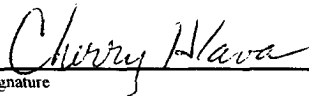



¹⁰ Surface Location

UL or lot no. Unit M	Section 11	Township 28N	Range 08W	Lot Idn	Feet from	North/South South	Feet from	East/West West	County San Juan
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from	North/South	Feet	East/West	County
¹² Dedicated Acres MV = 291.96 & PC = 145.77	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Cherry Hlava Printed Name Regulatory Analyst Title 5/25/2006 Date
	Jones A LS 2 (MV) 30-045-07543 1150' FSL & 890' FWL Unit outline 			
	Jones A LS 14 (PC) 30-045-23768 1020' FSL & 820' FWL Unit outline 			¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> on file Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: **BP America Production Company**
OPERATOR ADDRESS: **P O Box 3092 Houston, TX 77253**
APPLICATION TYPE:

☒ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
Blanco Mesaverde (#2) 72319	1207 BTU	1207 BTU	216 MCFD	216
Blanco PC (#14) 72359	1165 BTU	1165 BTU	80 MCFD	80

- (2) Are any wells producing at top allowables? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No. Same in both reservoirs
(4) Measurement type: ☒ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Cherry Hlava TITLE: Regulatory Analyst DATE: 05/25/2006
TYPE OR PRINT NAME Cherry Hlava TELEPHONE NO.: 281-366-4081-
E-MAIL ADDRESS: hlavac1@bp.com

Jones A LS Proposed Shared Compression

Well # 2 – Blanco
Mesaverde

Well # 14 Blanco Pictured Cliffs

